



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

paper money, recommending not less than one billion pounds of "credit notes" for the purpose! Further comment is superfluous. The book is obviously a vehicle for exploiting the author's mischievous ideas on interest and money, which cannot be too positively condemned.

RAYMOND T. BYE.

University of Pennsylvania.

SIMPSON, KEMPER. *Economics for the Accountant*. Pp. 206. Price, \$2.00. New York: D. Appleton & Company, 1921.

The publication of this volume shows the trend of accounting thought at the present time. During the last decade, while there has been a wealth of literature upon accounting subjects, there has been little written, in book form, dealing with accounting as an application of economics. The student of accounting will find many and diverse text books upon the treatment of transactions in books of account and upon the preparation of business statements. He will also find a complete assortment of published material setting forth the theory of accounts, but after diligent search he will find but little literature written for the express purpose of discussing the relation between economic conditions and their expression in books of accounts and statements. Mr. Simpson attempts to present this relation and, taking all things into consideration, he is successful.

The thought in the mind of one who begins to read this book, namely, that no more than an outline of economic theory can be given in a book of two hundred pages, a portion of which is specifically devoted to accounting, is found to be true as he progresses through the volume. One must take for granted that the economic theories expressed are correct. There is no space for discussion. At the present stage in the development of accounting literature this is probably an advantage because many of those who study accounting are sufficiently short-sighted to avoid long discussions upon theory in order that they may leap at once into practical applications. It is to be hoped that such persons will read this book.

Concerning the theories expressed in the

volume, it may be stated that the author has conformed to the modern school of thought in both economics and the application of economics in accounting. It is to be supposed that there will be some who will not agree with all of the theories presented; notably those concerning the inclusion of interest in manufacturing cost, and value. This may be expected in the handling of any subject which is not an exact science.

The arrangement of the material in the book might be improved upon. The references to subsequent pages and chapters are too frequent. These references cause confusion in the mind of the reader instead of assisting him toward continuity of thought. Appendices I and II, upon "Interest as a Part of Cost," and "Disputed Items of Cost" might better have been placed as a portion of the chapter upon the doubtful elements of cost. The reviewer also believes that the theory underlying the handling of joint-costs is placed at a point where the reader is unprepared for so technical a discussion.

The author is not conclusive in his theory of handling bad debts as a deduction from gross sales: and in his differentiation between the accountant's classification of cost and the economist's classification of cost he is rather willing to concede the submerging of the underlying economic theory in its presentation upon the books. Furthermore, there seems to be more or less confusion concerning the use of the term "accounting cost." It is not clear whether the author means to use it in the sense of manufacturing cost or total cost. The author is, however, to be commended for the stand which he has taken concerning the appreciation of capital goods. Some theorists have permitted their theory to over-rule their better judgment in this connection.

It is to be hoped that the publication of this book will influence future writers in order that there may be sufficient literature for the student of economics who desires accounting knowledge, and for the student of accounting who desires economic knowledge.

THOMAS A. BUDD.

University of Pennsylvania.